



**STATE OF TENNESSEE**  
**Department of Finance and Administration, Division of TennCare**  
**REQUEST FOR PROPOSAL # 31865-00624**  
**AMENDMENT 4 FOR Third Party Liability Services**

**DATE: November 2, 2021**

**RFP # 31865-00624 IS AMENDED AS FOLLOWS:**

1. This RFP Schedule of Events updates and confirms scheduled RFP dates. Any event, time, or date containing revised or new text is highlighted.

EVENT	TIME (central time zone)	DATE
1. RFP Issued		August 2, 2021
2. Disability Accommodation Request Deadline	2:00 p.m.	August 5, 2021
3. Pre-response Conference	10:00 a.m. – 11:00 a.m.	August 12, 2021
4. Notice of Intent to Respond Deadline	2:00 p.m.	August 13, 2021
5. Written "Questions & Comments" Deadline	2:00 p.m.	August 27, 2021
6. State Response to Written "Questions & Comments"		October 5, 2021
7. Written "Questions & Comment" Deadline		October 19, 2021
8. (Round 2)		
9. State Response to Written "Questions & Comments (Round 2)		November 2, 2021
10. Response Deadline	2:00 p.m.	November 19, 2021
11. State Completion of Technical Response Evaluations		December 17, 2021
12. State Opening & Scoring of Cost Proposals	2:00 p.m.	December 20, 2021
13. Cost Negotiation		December 27, 2021 through December 29, 2021
14. State Notice of Intent to Award Released <u>and</u> RFP Files Opened for Public Inspection	2:00 p.m.	January 5, 2022
15. End of Open File Period		January 12, 2022
16. State sends contract to Contractor for signature		January 13, 2022
17. Contractor Signature Deadline	2:00 p.m.	January 20, 2022

**2. State responses to questions and comments in the table below amend and clarify this RFP.**

Any restatement of RFP text in the Question/Comment column shall NOT be construed as a change in the actual wording of the RFP document.

No.	RFP SECTION	PAGE #	QUESTION / COMMENT	STATE RESPONSE
1.	Amendment #1 Section 3. A.20 - <u>Readiness Review and Implementation</u>	5	Can the State of Tennessee share with the vendors its checklist(s) for readiness review?	The State will share any applicable readiness review documents with the new vendor after the contract is awarded.
2.	RFP Section 1.1. <u>Statement of Procurement Purpose</u>	2	<p><b>RFP Language:</b> The purpose of this contract is to procure a Supplier to (1) Identify TPRs and assist TennCare with maintenance of TennCare's Resource File, (2) Identify and recover casualty subrogation related to Pharmacy Claims, Dental Claim and Mass Torts, <b>(3) Provide <u>Medicare Outreach</u></b> to encourage TennCare Members who are eligible for Medicare to apply for Medicare.</p> <p><b>Question/Comment:</b> The RFP indicates that the vendor is responsible for <b><u>Medicare Outreach</u></b> but there is nothing in the pricing document to indicate how it is anticipated the vendor would be compensated for that activity. Please clarify.</p>	<p>Please see Amendment #3, item #10:</p> <p>A.21. Medicare Outreach. The Contractor shall develop and maintain processes to encourage TennCare members that are eligible but not enrolled in Medicare to enroll in Medicare. The Contractor is encouraged to use a mixed media approach consisting of text messages, emails, phone calls, and mailers for its outreach plan. Unless authorized by a Control Memorandum, these activities shall include and are limited to outreach activities.</p> <p>Contractor shall review TennCare eligibility data to identify TennCare enrollees who are over age 65, end-stage renal disease, or otherwise eligible but are not enrolled in Medicare. The Contractor shall develop an annual outreach program to contact and assist members in gaining Medicare enrollment. Each annual enrollment project shall begin on June 1 and be completed by October 1 of each year.</p> <p><b>Contractor shall receive no additional payment for this service.</b></p> <p>Reports Applicable to this Section - An annual report of the number of members contacted and the number of members who have gained Medicare enrollment through the annual Outreach effort shall be submitted to TennCare, pursuant to written instructions by TennCare. Contractor shall report on each TennCare member eligible but not enrolled in Medicare, pursuant to written instructions by TennCare.</p>
3.	RFP <u>Pro Forma Contract</u> , A.12. a	12	<p><b>RFP Language:</b> Conduct weekly data exchanges with insurance carriers and other identified third parties necessary to identify TPRs.</p> <p><b>Question/Comment:</b> What will the State's role be in coordinating with Insurance Carriers that will now be</p>	The State will coordinate with insurance carriers as needed to minimize any issues with confusion or diversion.

			potentially working with two vendors (the current vendor and a newly selected replacement vendor). Our experience is that insurers get easily confused and diverted without close oversight by the State.	
4.	RFP Section 1.1. <u>Statement of Procurement Purpose</u>	2	<p><b>RFP Language:</b> The purpose of this contract is to procure a Supplier to (1) Identify TPRs and assist TennCare with maintenance of TennCare's Resource File, (2) Identify and recover casualty subrogation related to Pharmacy Claims, Dental Claim and Mass Torts, (3) Provide Medicare Outreach to encourage TennCare Members who are eligible for Medicare to apply for Medicare, (4) Perform an annual review of the payment of Medicare crossover claims by TennCare and its Partners, (5) Provide Credit Balance Audits and recover recoupments, (6) Perform go-behind billing,</p> <p><b>Question/Comment:</b> How does the State of Tennessee currently administer these services and what are the current challenges?</p>	The State currently contracts with an outside vendor to perform these services. With the new contract, it is a priority for the State to ensure that it is identifying and implementing best practices in TPL and that it has reliable ways to track and monitor performance of the TPL vendor across time.
5.	RFP Section 1.1. <u>Statement of Procurement Purpose</u>	2	<p><b>RFP Language:</b> The purpose of this contract is to procure a Supplier to (1) Identify TPRs and assist TennCare with maintenance of TennCare's Resource File, (2) Identify and recover casualty subrogation related to Pharmacy Claims, Dental Claim and Mass Torts, (3) Provide Medicare Outreach to encourage TennCare Members who are eligible for Medicare to apply for Medicare, (4) Perform an annual review of the payment of Medicare crossover claims by TennCare and its Partners, (5) Provide Credit Balance Audits and recover recoupments, (6) Perform go-behind billing,</p> <p><b>Question/Comment:</b> Please provide relevant performance indicators for each of the six (6) existing services for the past three (3) reporting years.</p>	At this time TennCare does not have reports readily available.
6.	RFP <u>Pro Forma Contract</u> , A.15.	14, 15	<p><b>RFP Language:</b> Section A.15 <u>Credit Balance Audits and Provider Recoupments</u>.</p> <p>a. The Contractor shall identify and recover overpayments from providers via on-site audits and desk reviews (Credit Balance Audit Services). The Contractor shall ensure that Credit Balance Audits are conducted on providers that have been approved by TennCare.</p>	TennCare is not currently performing credit balance audits through its TPL vendor. TennCare will work with the new TPL vendor to determine the appropriate method and number of credit balance audits per fiscal year.

			<p><b>Question/Comment:</b> Please provide the ratio of desk audits to on-site-audits? This information is critical to the submission.</p> <p>Please provide an estimate/assumption that Offerors should use as to the total number of credit balance reviews over the last three (3) fiscal years.</p> <p>In today's environment, are providers required to do any kind of credit balance reporting. If so, what is frequency of reporting and what information is included in the report. Is the reporting standard for all providers and are they electronic records?</p>	
7.	Attachment B	3, 4	<p><b>RFP Language:</b> 9. Contractor's failure to post claims within the time required pursuant to A.11</p> <p>17. Contractor bills TennCare for a go-behind recovery that was not posted to the claim level within 60 calendar days of receipt of payment. C.3.d</p> <p><b>Question/Comment:</b> <u>There are two damage provisions that may be in conflict.</u></p> <p>Item 9 requires claims be posted pursuant to A.11 – within one business day of deposit. Item 17 requires that go behind recovery be posted within 60 calendar days of receipt of payment. Does item 9 apply to the general deposit of total check amounts to the vendor application within one day and item 17 apply to the detail crediting of the payments to the individual claims?</p>	<p>These two damage provisions do not conflict. Attachment B, No. 9 states that the Contractor's failure to post claims within the time required pursuant to A.11 (i.e. 1 business day of the date of deposit) will result in liquidated damages of \$500 per claim for each late day.</p> <p>Attachment B, No. 17 states that, if the Contractor bills TennCare for a go-behind recovery that was not posted to the claim level within 60 calendar days of receipt of payment pursuant to C.3.d., this will result in a liquidated damage of \$1,000 for each resource that was inappropriately billed.</p> <p>Therefore, No. 9 addresses the LD for failing to post claims. No. 17 addresses the LD for billing TennCare for recovery that was not posted within the 60-day time frame.</p>
8.	Attachment B	4	<p><b>RFP Language:</b> \$1,000 for each resource that was inappropriately billed.</p> <p><b>Question/Comment:</b> The “<b>Damage</b>” on item 17 indicates “\$1,000 for each resource that was inappropriately billed.” This seems to be an error since the “Issue” addresses recovery/posting activity. Please clarify.</p>	<p>Attachment B, No. 17 refers to each resource that was inappropriately billed to TennCare.</p>
9.	General Contracting Information and Requirements Section 4.8	13	<p><b>RFP Language:</b> 4.8.1. All materials submitted to the State in response to this RFP shall become the property of the State of Tennessee. Selection or rejection of a response does not affect this right. By submitting a response, a Respondent acknowledges and accepts that the full response contents and associated documents will become open to public inspection in accordance with the laws of the State of Tennessee.</p>	<p>No Oral Presentations will be conducted for the RFP response.</p>

			<p><b>Question/Comment:</b> Since Trade Secrets and Proprietary processes are not protected in this procurement and will likely serve as a disincentive to provide those details, has the State considered vendor oral presentations to obtain those details?</p>	
10.	Contract Section A.4 Item a Page 5, Answers to Questions #7.	5	<p><b>RFP Language:</b> A.4.a. Minimum Data Requirements. The Contractor shall utilize, at minimum, the following data provided by TennCare in order to facilitate the Contractor's duties under this contract: 1. Medicaid Paid Claims and Encounters; 2. Third Party Resource file; 3. TennCare deceased enrollee data; 4. Third Party Carrier file; and 5. Medicare file (as amended).</p> <p><b>Question/Comment:</b> Answers to Questions indicated that TennCare will provide any needed information related to file layouts to the contractor during the Implementation Period. Please provide the expected delivery date of those files and related material.</p>	TennCare anticipates, but cannot guarantee, that file layouts can be provided by the end of the first month of the implementation period. Please note, however, that any and all file layouts may be subject to change as we move through requirements development and into implementation.
11.	Answers to Questions, item 10, page 32.	32	<p><b>RFP Language:</b> Medicare Outreach. The Contractor shall develop and maintain processes to encourage TennCare members that are eligible but not enrolled in Medicare to enroll in Medicare. The Contractor is encouraged to use a mixed media approach consisting of text messages, emails, phone calls, and mailers for its outreach plan. Unless authorized by a Control Memorandum, these activities shall include and are limited to outreach activities. Contractor shall review TennCare eligibility data to identify TennCare enrollees who are over age 65, end-stage renal disease, or otherwise eligible but are not enrolled in Medicare. The Contractor shall develop an annual outreach program to contact and assist members in gaining Medicare enrollment. Each annual enrollment project shall begin on June 1 and be completed by October 1 of each year. Contractor shall receive no additional payment for this service. Reports Applicable to this Section - An annual report of the number of members contacted and the number of members who have gained Medicare enrollment through the annual Outreach effort shall be submitted to TennCare, pursuant to written instructions by TennCare. Contractor shall report on each TennCare member eligible but not enrolled in Medicare, pursuant to written instructions by TennCare.</p>	No, under the circumstances detailed in the "Question/Comment", TennCare would not expect its vendor to provide Medicaid Outreach Services without payment for said services. This would be addressed via an Amendment to the contract with the winning Respondent if a partial takeover were to occur.

			<p><b>Question/Comment:</b> The Answers to Questions outlined the necessary tasks and indicates that the Contractor shall receive no additional payment for this service. If Contract Section E. 18 that permits the State to assume any contract tasks were carried to its extreme and all but the Medicare Outreach were assumed by the State, would the vendor be responsible for Medicare Outreach contract deliverables with no payment?</p>	
12.	Response to Round 1, Question #11		<p>The current vendor handled the following Pharmacy and Dental claims:</p> <p>Pharmacy Claims  2018: 12,766,407  2019: 13,274,697  2020: 12,861,719</p> <p>Dental Claims  2018: 1,056,903  2019: 1,161,862  2020: 931,592</p> <p><b>Question/Comment:</b> 1. Does the data given represent Casualty subrogation claims only handled by the current contractor?  2. If no, what are the volumes of Casualty subrogation claims handle by the current contractor for Pharmacy and Dental for 2018, 2019, and 2020.</p>	<p>The original figures provided include all claims that the current TPL vendor received and processed on all recovery projects for the applicable years.</p> <p>The current vendor does not have an exact number of the pharmacy and dental casualty subrogation claims handled each year, however, the vendor has estimated that it reviewed the following number of Pharmacy casualty claims:</p> <p>2018: 1,340,629  2019: 922,530  2020: 920,811</p> <p>The number of dental claims reviewed each year as part of subrogation is negligible. Only a limited population of TennCare recipients receive dental benefits, and it is rare that casualty incidents results in services that get billed as dental claims versus the other medical claim types.</p>

3. **RFP Amendment Effective Date.** The revisions set forth herein shall be effective upon release. All other terms and conditions of this RFP not expressly amended herein shall remain in full force and effect.